

REMARKS

The applicant and his representative thank the Examiner for his consideration in initiating an Examiner Interview to discuss the claims of this application.

In accordance with the discussion, the claims have been amended as follows: Independent claim 1 has been amended to include the limitations of claims 2, 6, 7, 9, and 13 and these claims have been canceled. The Examiner had suggested that the subject matter of claim 8 also be included in claim 1. Claim 8, which is directed to blocking acceptance of an account, has the same general thrust as (canceled) claim 7, which recited refusing to perform a transaction. Opening an account is a specific type of financial transaction and this was recited in claim 15. To the extent that it may not have been clear that claim 8 is a subset of the subject matter previously recited in claim 7, claim 8 has been amended to clarify this and to include the subject matter of (canceled) claim 15. Where necessary, claims depending from canceled claims have been amended to depend from claim 1 instead. Minor amendments to ensure a proper antecedent basis for claim terms have also been made.

Independent claims 20 and 21 have been amended similarly to claim 1. Claims 22 and 23 have been canceled.

Applicant notes that a PCT search report for the international application corresponding to this case (PCT/US02/01016) was mailed on August 26, 2002. The search report cited four references, three of which were placed in category "X" and were considered by the PCT examiner to be of particular relevance. The entirety of each reference was generally applied to all of the pending claims. None of the newly cited patents are directed to political risk management as disclosed in this application. In addition, none of the references disclose or suggest, among other features, generating a suggested action responsive to a risk quotient, where the suggested action comprises at least refusing to perform the transaction and notifying an authority as is recited in the independent claims, as amended.

An information disclosure statement will be submitted formally disclosing these patents in the present application. To the extent that it will assist the Examiner in considering the cited references, they are briefly discussed below.

U.S. Patent No. 5,696,907 to Tom is entitled "System and Method for Performing Risk and Credit Analysis of Financial Service Applications" and was cited as an "X" reference. The patent discloses a system for training a neural network to recognize potential high credit risk situations. Financial data for a credit application is applied to the neural network and a measure of risk associated with the application is then outputted. The weights for the neural network are optimized so that the network will generate approval criteria that increases the volume of approved applications with a minimum loss. The patent teaches that the optimized weights assigned by the neural network to various categories of information can then be examined and used to prepare guidelines for approving financial

service applications, which guidelines can be issued to credit managers. (See, generally, Summary, Col. 2-3).

U.S. Patent No. 5,991,743 to Irving et al. is entitled "System and Method for Proactively Monitoring Risk Exposure" and was cited as an "X" reference. The patent discloses a method for continually monitoring a set of shared databases to determine when new information is added that could affect a predetermined risk category and then to revise risk evaluations for that category accordingly. The patent is specifically concerned with monitoring the financial circumstances of financial service clients after a credit decision has been made in order to reduce the likelihood of default. (Col. 1, lines 42-45). After the risk for a category has been revised, a risk-related report is generated.

U.S. Patent No. 6,219,805 to Jones et al. is entitled "Method and System for Dynamic Risk Assessment of Software Systems" and was cited as an "X" reference. The patent is directed to a software development system that can be used to reduce the likelihood that a complex software product will fail. Other than the case where financial transactions cannot be performed because of a software failure, the patent is entirely unconcerned with management of risks associated with financial transactions.

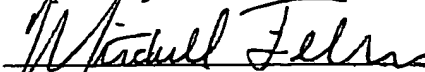
U.S. Patent No. 6,078,905 to Pich-LeWinter is entitled "Method for Optimizing Risk Management" and was cited as an "A" reference, of only general background relevance. The patent discloses a method for optimizing a rate of return based on a bank's capital and loan products and is generally unrelated to the present invention.

#### CONCLUSION

In view of the above amendments and remarks, it is believed that that present claims are in condition for allowance. Entry of this amendment and an early and favorable examination is respectfully requested.

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Respectfully submitted,



Mitchell S. Feller

Reg. No. 42,530

Clifford Chance US LLP  
200 Park Avenue  
New York, NY 10166-0153  
Telephone: (212) 878-8545

MARK-UP VERSION OF CLAIM AMENDMENT

1. (Amended) A computer-implemented method for managing risk related to financial transactions involving a politically identified person, the method comprising the steps of:  
receiving information relating to political exposure associated with a person involved in a financial transaction;  
structuring the information received according to political exposure risk quotient criteria; [and]  
calculating a risk quotient using the structured information;  
generating a suggested action responsive to the risk quotient and directed towards reducing risk related to an account associated with a politically exposed person, the suggested action comprising at least refusing to perform the transaction and notifying an authority; and  
aggregating risk quotients relating to a financial institution to assess a level of politically identified risk to which the financial institution is exposed.

2. CANCELED

3. (Amended) The method of claim [2] 1 additionally comprising the steps of:  
storing the information received, the risk quotient and the suggested action; and  
generating a diligence report.

4. The method of claim 3 wherein the diligence report comprises information received relating to political exposure and actions taken responsive to the risk quotient.

5. (Amended) The method of claim [2] 1 wherein the suggested action is additionally responsive to the information received.

6. CANCELED

7. CANCELED

8. (Amended) The method of claim [2] 1 wherein the transaction comprises opening a financial account and the suggested action comprises blocking acceptance of the [an] account.

9. CANCELED

10. The method of claim 1 wherein the information received comprises the identity of a politically identified person and the person's relationship to an account holder.

11. The method of claim 1 wherein the information received comprises the identity of a secrecy jurisdiction.

12. The method of claim 1 wherein the information received is gathered electronically.

13. CANCELED

14. (Amended) The method of claim [13] 1 additionally comprising the step of calculating an average risk quotient associated with the [a] transaction.

15. CANCELED

16. (Amended) A computerized system for managing risk associated with a financial account, the system comprising:

a computer server accessible with a network access device via a communications network; and  
executable software stored on the server and executable on demand, the software operative with the server to cause the system to:

receive information relating to political exposure associated with a person involved in a financial transaction;

structure the information received according to political exposure risk quotient criteria; [and]

calculate a risk quotient using the structured information;

generate a suggested action responsive to the risk quotient and directed towards reducing risk related to an account associated with a politically exposed person, the suggested action comprising at least refusing to perform the transaction and notifying an authority; and

aggregate risk quotients relating to a financial institution to assess a level of politically identified risk to which the financial institution is exposed.

17. The computerized system of claim 16 wherein the information is received via an electronic feed.

18. The computerized system of claim 16 wherein the network access device is a personal computer.

19. The computerized system of claim 16 wherein the network access device is a wireless handheld device.

20. (Amended) Computer executable program code residing on a computer-readable medium, the program code comprising instructions for causing the computer to:

receive information relating to political exposure associated with a person involved in a financial transaction;

structure the information received according to political exposure risk quotient criteria; [and]  
calculate a risk quotient using the structured information

generate a suggested action responsive to the risk quotient and directed towards reducing risk related to an account associated with a politically exposed person, the suggested action comprising at least refusing to perform the transaction and notifying an authority; and

aggregate risk quotients relating to a financial institution to assess a level of politically identified risk to which the financial institution is exposed.

21. (Amended) A computer data signal embodied in a digital data stream comprising data relating to risk management, wherein the computer data signal is generated by a method comprising the steps of:

receiving information relating to political exposure associated with a person involved in a financial transaction;

structuring the information received according to political exposure risk quotient criteria; [and]  
calculating a risk quotient using the structured information;

generating a suggested action responsive to the risk quotient and directed towards reducing risk related to an account associated with a politically exposed person, the suggested action comprising at least refusing to perform the transaction and notifying an authority; and

aggregating risk quotients relating to a financial institution to assess a level of politically identified risk to which the financial institution is exposed.

22. CANCELED

23. CANCELED